

ST. MARY'S UNIVERSITY

BUSINESS FACULTY

DEPARTMENT OF MANAGEMENT

ASSESSING CHANGE MANAGEMENT PRACTICE (BSC)

IN ADDIS ABABA ROAD AUTHORITY

BY

HAYMANOT BIRHANU

JUNE 2014

SMU

ADDIS ABEBA

AN ASSESSMENT OF CHANGE MANAGEMENT PRACTICE (BSC) IN ADDIS

ABABA ROAD AUTHORITY

A SENIOR ESSAY SUBMITTED TO THE DEPARTMENT OF MANAGEMENT

BUSINESS FACULTY

ST. MARY'S UNIVERSITY

IN PARTIAL FULFILLMENT OF THE REQUIREMENT FOR THE DEGREE

OF BACHELOR OF ARTS IN MANAGEMENT

BY

HAYMANOT BIRHANU

JUNE 2014

SMU

ADDIS ABEBA

ST. MARY'S UNIVERSITY

CHANGE MANAGEMENT PRACTICE (BSC) IN ADDIS ABABA ROAD

AUTHORITY

BY

HAYMANOT BIRHANU

FACULTY OF BUSINESS

DEPARTMENT OF MANAGEMENT

APPROVED BY THE COMMITTEE EXAMINERS

DEPARTMENT HEAD

signature

ADVISOR/CENTER

signature

Internal Examiner

signature

External examiner

signature

ACKNOWLEDGEMENTS

First and for most I would like to thank the almighty God for his limitless support all my life through my life and the successful accomplishment of those senior paper .

Special thanks to my advisor Ato Meselu Fanta for his suggestion comments and pertinent advice in writing this senior paper and for his commitment to devote his precious time in reading the paper.

Thanks a lot to all employees and management of he enterprise for their assistance in giving me all the necessary information and documents that have great contribution for the preparation of this research paper.

My deepest and warmest appreciations also go to my family for this continuous support for the successful compilation of my compos life.

TABLE OF CONTENT

Acknowledgement.....	I
Table of content.....	II/III
List of table.....	VI

CHAPTER ONE

1. Introduction

1.1 Back ground of the organization.....	1
1.2 Statement of the problem.....	2
1.3 research questions.....	2
1.4 Objective of the study.....	2
1.4.2 specific objective.....	3
1.5 Significance of the study.....	3
1.6 Delimitation of the study.....	3
1.7 Limitation of the study.....	3
1.8 Research design and methodology.....	4
1.8.1 Research design.....	4
1.8.2 Population and sampling technique.....	4
1.8.3 Types of data collected.....	4
1.8.4 Method of data collected.....	4
1.8.5 Method of data analysis.....	5
1.9 Organization of the study	5

CHAPTER TWO

2.1 Overview of change manage.....	6
2.1.2 Importance of change.....	8
2.1.3 Steps in managing change.....	9
2.1.4 Resistance to change.....	11
2.1.5 Individual resists to change.....	11
2.1.6 Organization resistance to change.....	11
2.1.7 Organizational effectiveness and the role of change management.....	13
2.2 Balanced Score Card.....	13
2.2.1 The Balanced Score Card.....	16
2.2.2 Determine why to use the BSC.....	17
2.2.3 Building the balanced card.....	19

CHAPTER THREE

3.1 General characteristics of respondent.....	21
3.2 Data analysis and interpretation.....	29

CHAPTER FOUR

4.1 Summery.....	30
4.2 Conclusions.....	31
4.3 Recommendations.....	32

Appendix

List of table	page
Table 1 Respondent profile.....	21
Table 2 Response of employee.....	22
Table 3 Response of employee in implementation.....	23
Table4 Response of employee on commitment.....	23
Table5 Response of employee on training.....	24
Table 6 Response of employee on effectiveness'.....	25
Table 7 Response of employee on understanding.....	25
Table 8 Response of employee on work commitment.....	26
Table 9 Response of employee on implementing.....	27
Table 10 Response of employee on hospital.....	27
Table 11 Response of employee on involvement.....	28
Table 12 Response of employee on commitment.....	29

CHAPTER ONE

Introduction

1.1 Background of the Study

A major challenge facing organization is to manage change effectively. In many sector of the economy organization must have the capacity to adopt quickly in order to survive often the speed and complexities of change severally test the capabilities of managers and employees to adapt quickly and effectively (N. Kummar 2004:27)

Both advanced industries societies and developing countries are changing in important ways that have significant in facts on organization. The pressures on organizations for change accelerating. So in a very real sense organization are undergoing several business revolutions sudden radical and complete reorientations of the way business is done around the world (Sudan and N. Kummar: 2004:30)

The main conclusion with regard to leading change is that these are no universal rules the opposite is true leadership is acutely sensitive to context. The choosing of leader clearly is affected by those who make the choice and the circumstances in which they do so. The problems faced by the incoming leader are derived from the circumstance which he leader inherits. The areas of man power available to the new leader in deciding what to change and how to go about it are bounded by the environment within and outside the firm (A. Pittsburg and R.Winislow:2001:105)

Addis Ababa road authority was established in 1894 by emperor Minilik and emperies Tayitu. The first road they made was located the road between British embassies to different side of the continent in 1894 Minilik brought two roll or for road construction and they start to made roads in more civilized way. At that time the organization was named as public works department its main purpose was to construct roads in Addis Ababa. Now the organization has 350 permanent employees.(Addis Ababa road Authority profile)

1.2 Statement of the problem

Change is inevitable though many people fight like mad to avoid change if you look fifty years back at anything it has changed many times- people. Fashion Cars and street in front of your home.

Like death. Taxes, and time you can't escape change. wit hoist the cooperation and active participation of not only critical executives but also middle management and key staff, the restructuring of company is doomed to fail first and best allies are the leaders in your company executives, middle managers employee team leaders, and the less formal leaders such as keepers of the grapevine, key secretaries. (J.Stewart:1996:85) The mane problem of the organization are difficult of changing the steratagey in to practice these is because the management does not give enough information about the nature of balanced score cared program because of these the employees are confused and also there is no evidence about the success of the program before general mistrust about the concept. That's way she had been convinced to do this paper.

1.3. Research Question

The student structure is attempted to answer the following basic question.

1. What are the factors that affect the balanced score card practice in Addis Ababa Road Authority?
2. What are the related problem in practicing change management and balanced score card program?
3. What are the nature of change management and balanced score card program in Addis Ababa authority.
4. How balanced score card is effective in Addis Ababa road authority?

1.4. Objectives of the study

1.4.1 General objective

The general objective of this study was to investigate the factors that change management particularly balanced score card practice and problem in Addis Ababa Road Authority

1.4.2 Specific Objective

The specific objective of the study were to

1. To investigate the factors that affect balanced score card practice in Addis Ababa road authority
2. To describe related problem in practicing change management and balanced score card program in Addis Ababa and authority
3. To describe the nature of change management and balanced score card program in Addis Ababa road authority.
4. To identify the effectiveness of balanced score card in Addis Ababa road authority

1.5 Significance of the Study

- Finding of the study can be useful for the organization in providing the factors that affect change management practice
- It can helps as a base to undertake some other research
- It enables the researcher to acquire basic experience and knowledge about the research.

1.6 Delimitation of the Study

The study delimit itself only in change management particularly in balanced score card ,since it is difficult to conduct the study at all organizational level particularly focus on management area in the Addis Ababa road Authority, moreover the study analyzes data from 2002 to 2005 this is because of using recent facts to the study.

1.7 Limitation of the study

As many researchers especially conducted for the fulfillment of academic purpose lack of enough time and limitation of financial and other resource where evident in this study.

1.8 Research Design and methodologies

1.8.1 Research Design

The researcher used descriptive survey research method. In order to conduct the study on the area of change management because it can assist the researcher to describe the existing fact within the organization under study.

1.8.2 Population and Sampling Techniques

Addis Ababa road authority has 350 permanent employees which are considered as a population. Among these employees the student researcher will use 30% of employees as sample size by using stratified sampling technique, particularly proportional sampling technique. To provide equal chance for each stratum she will apply simple random technique on this study.

ND	Department	Population	Percentage	Sample size
1	Human resource	45	30%	14
2	Finance	30	30%	9
3	Supply management	150	30%	45
4	Road building	75	30%	23
5	Designing	50	30%	15
Total		35	30%	30

1.8.3 Type of Data Collection

In order to come up with the study objective and make it achievable the student researcher gather and utilize the necessary primary and secondary type of data i.e. books, magazines, company and profiles.

1.8.4 Method of data Collection

In order to collect the required data to the study the researcher used questionnaire for employees as a data collection tool, a questionnaire is used because it can gather large amount of data.

1.8.5 Method data Analysis

The data that were collected through questionnaire were analyzed by using tables that are used for summarizing the data and percentage method. Those data that were collected through open ended question of the questionnaire were analyzed qualitatively.

1.9 Organization of the Study

The study organized in four chapters chapter one of the research introduce the introduction part of the study statement of the problem objective significance and scope of the study. The second chapter deals with the review of related literatures. The third chapter is about data presentation analysis and interpretation and the forth chapter present summery findings, conclusion and recommendation of the study.

CHAPTER TWO

REVIEW OF RELATED LITERATURES

2.1 OVER VIEW CHANGE MANAGEMEMENT

Change management is an essential tool in an organization today .where change is the new statuesque and organizations have to adapt quickly to rapid changes in the environment. In effectively managing the people involved in changes leads to the failure of projects and programs that otherwise deliver technically excellent result.

Managing change is a team effort requiring business as usual and those instigating change to work together before during and often long after the change has been implemented.

The four key factors for success when implementing change within an organization are

1. Pressure for change: - demonstrated senior management commitment is essential
2. A clear shared vision:-you must take everyone with you. This is a shared agenda that benefits the whole organization.
3. Capacity for change: - you need to provide the sources time and finance.
4. Action and performance:-plane do check act and keep communication channels open.

Before looking at the four factors for success, recognizing the four factors for failure in managing change can help identify problems more rapidly and can show where initial action is concentrated:

1. Lack of consistent leadership
2. Demotivated staff kept in the dark
3. Lack of capacity: budget cuts no spend to save policy short term approach to investment stressed out staff working hard just to stand still.

4. Lack of initiative to do something different.

These four factors for failure then lead to the tread mill effect setting up a vicious circle:

1. No time for reflection planning and learning
2. No improvement in design and implementation
3. Increasing need to do something
4. Increasing failure and unplanned consequences.

(A.A city government administrative guideline unpublished)

Resistance to Change

Changing an organization is often essential for a company to remain competitive. Failure to change may influence the ability of a company to survive. Yet employees do not always welcome changes in methods. According to a 2007 survey conducted by the Society for Human Resource Management (SHRM), employee resistance to change is one of the top reasons change efforts fail. In fact, reactions to organization change may range from resistance to compliance to enthusiastic support of the change, with the latter being the exception rather than the norm (Ibid).

Active resistance is the most negative reaction to a proposed change attempt. Those who engage in active resistance may sabotage the change effort and be outspoken objectors to the new procedures. In contrast, passive resistance involves being disturbed by changes without necessarily voicing these opinions.

Instead, passive resisters may dislike the change quietly, feel stressed and unhappy and even look for a new job without necessarily bringing their concerns to the attention of decision makers. Compliance, however, involves going along with proposed changes with little enthusiasm. Finally, those who show enthusiastic support are defenders of the new way and actually.

2.1.2 IMPORTANCE OF CHANGE

Change will not disappear or despite technology, civilizations and creative thought will maintain their ever accelerating drive on wards. Managers, and the enterprises they serve be they public or private service or manufacturing will continue to be judged up on their ability to effectively and efficiently manage change. Unfortunately for the managers of the early twenty first century their ability to handle complex situations will be judged over decreasing time scales.

The pace of change has increased dramatically; mankind wandered the planet on foot for centuries before the invention of the wheel and its subsequent technological convergence with the DX and horse. In one short century a man has walked on the moon satellites orbit the earth the combination engine has dominated transport and some would say society: robots are a reality and state of the art manufacturing facilities resemble senses from science fiction your neighbor or competitor technologically speaking could be on the other side of the planet and bio-technology is the science of the future .The world may not be spinning faster but mankind certainly is

Businesses and managers are now faced with highly dynamic and every more complex operating environments. Technologies and products along with the industries they support and serve are concerning. Is the media company in broadcasting or telecommunicating or data processing or indeed all of them: is the supermarket chain in general retail or is it a provider of financial services? Is the television merely a receiving device for broadcasting or it part of an integrated multi -media communication package? Is the airline a provider of transport or the seller of wines spirits and fancy goods, or the agent for car hire and sprits and fancy goods, or the agent for car hire and accommodation?

As industries and products converge along with the markets they serve, there is a growing realization that a holistic approach to the marketing of goods and service is required, thus simplifying the purchasing decision.

Strategic alliance designed to maximize the added value throughout a supply chain while seeking to minimize the added value, throughout a supply chain. While seeking to minimize costs of supply, are fast becoming the competitive weapon of the future control and exploitation of the supply chain make good commercial sense in fiercely competitive global markets. The package of what where once discrete products (or services) into what are effectively consumer solution will continues for the foreseeable future. (Robert and Mc caiman: 2004:5).

2.1.3 STEPS IN MANAGED CHANGE

The first step in the change process is to identify the need for change and the area of change as to whether it is strategic change. Process oriented change or employee oriented change. This need for change can be identified either through internal factors or through external forces that may be in place once this need is identified the following general steps can be taken to implement such change.

1. DEVELOPE NEW GOALS AND OBJECTIVES

The managers must identify as to what new outcomes they wish to achieve. These may be a modification of previous goal due to change internal and external environmental or it may be a new set of goals and objectives.

2. SELECT AN AGENT FOR CHANGE

The management must decide as to who will initiate and oversee this change. A manager may be assigned this duty or even outside specialists and consultants can be brought in to suggest the various methods to bring in the change and change process.

3. DIAGNOSE THE PROBLEM

It is important together all pertinent data regarding the area or the problem where the change is needed. This data should be critically analyzed to pinpoint the key issues. Then the solution can be focused on those key issues.

4. Select methodology

Because of natural resistance to change, it is very important to chart out a methodology for change which would be correct and acceptable to all. Member's emotions must take into consideration when devising such methodology.

5. DEVELOP A PLAN

This step involves putting together a plan as to what is to be done. For example, if the company wants to develop and implement flextime policy, it must decide as to what type of workers will be affected by it or whether flextime should be given to all members or only to some designated workers.

6. STRATEGY FOR IMPLEMENTATION OF THE PLAN

In this stage, the management must decide on the when and how of the plan.

7. IMPLEMENTATION OF THE PLAN

Once the right timing and right channels of communications have been established the plan is put in to action. It may be in the form of simple announcement or it may require briefing session or in house seminars so as to gain acceptance of all the members and specially those who are going to be directed by change.

8. RECEIVE AND EVALUATE FEEDBACK

Evaluation consists of comparing actual results to the set goals. Feedback will confirm if these goals are being met so that if there is any deviation between the goals and the actual performance but comes then corrective measures can be taken. (Sudan and N. Kumar:2004:33-34)

2.1.4 RESISTANCE TO CHANGE

Change will be resisted at least to some extent by both individuals and organizations. Resistance to change is baffling because it can take so many forms. Covert resistance

may be manifested in strikes. Reduce productivity shoddy work, and even sabotage. Covert resistance may be expressed by increased tardiness and absenteeism, requests for transfer's resignations loss of motivation loss of motivation. lower morale and higher accident or error rates, one of the more damaging forms of resistance is accident or error rates, one of the more damaging forum of resistance is lack of participation in and commitment to proposed change by employees even when they have opportunities to proposed changes by employees even when they have opportunities to participate.(Sudan andN.Kumer:2004:36)

2.1.5 INDIVIDUALL RESISTANCE TO CHANGE

There are six important source of individual resistance to change:-

- Perception
- Personality
- Habit
- treats to power and influence
- fear of the unknown
- Economic reasons

2.1. 6 ORGANIZATION RESISTANCE TO CHANGE

To certain extent, the nature of organization is to resist change. Organizations often are most efficient when doing routine thing and tend to perform more poorly, at least initially and effectiveness .Organization may create strong defense against change. Moreover, change often opposes vested interest and violates certain territorial rights or decision making prerogatives that groups, teams and departments have established and accepted over time (Sudan &N. Kumer:2004:36-39).

Service Agreements and client feed back

The strategic planning process produces asset of initiatives for the support unit to develop and deliver for the business unit. These derivable are the essential drivers of results in the business unit for example if an effective training program isn't prepared in time employee quality or sales, will be delayed.

The commitments to deliver the services or programs associated with the initiatives are frequently translated in to service agreements that provides the basis for managing the relation ship between the business unit and the support unit and provides an explicit bass' for accountability for results. (Kalplan & Norton 2006; 164)

The role and contribution of training and development

The training function has number of contributions to make to the management of change. The first, and perhaps most critical, it to ensure that the 'people' issues and implications of change are raised and understand by organizational decision makers. Failure to do this is often reason why planned change does not work or why organizations respond too later ineffectively to environmental change.

A second contribution lies in helping individuals, especially managers, develop their ability to cope with change itself. Personal development programme and team development activities can be designed to build the coping skills required to live easily with the ambiguity and uncertainty which invariably accompany change. I find it useful to do this by focusing on the life experiences of individuals and encouraging then to examine personal changes of such as those identified earlier, eg. Getting married and be coming apparent such programs can also encourage risk taking by allowing for experiment in supportive climate (J. Stewart 1996: 2017)

Developing strategies to achieve goals

Having established the vision, values and goals of the organization, together with measures of success, the change leader and his or her team need to develop a strategy for achieving these, there are various options that lead to differentiation in the market place and hence competitive advantage.

This can generally be broken down into cost and other differentiators such as service, reliability and relationships, enterprise,

Business academic Michael Porter (1985) has developed a model of differentiation as follows: differentiation through distinguishing efficiencies and effectiveness derived from cost by knowing what is important to the customer and driving products and services in ways that derive competitive advantage. A business can also have a generic focus targeting wide number of consumers or a specific focus-targeting a narrow spectrum of consumers (S. Cook, S. Macawlay & H. Coldicott: 2004:52).

2.1.7 ORGANIZATIONAL EFFECTIVENESS AND THE ROLE OF CHANGE MANAGEMENT

Change management is about modifying or transforming organization in order to maintain or improve their effectiveness. Managers are responsible for ensuring that the organization (or the part of the organization they manage) performs effectively. To do this they need to know what constitute effective performance and have or there particular sub system is performing effectively, they also need to know if performance is unsatisfactory. What elements of the organization can take to secure these change. (John. H: 2007:30)

2.2 BALANCED SCORE CARD

An old saying goes if you are not keeping score you are just practicing the BSC was first developed in the early 1990 by two guys Robert Kaplan and David Norton that BSC is a

management system not a measurement system and a means to setting and achieving the strategic goal and objectives for your organization so in short BSC it is a management system that enable your organization to set and achieve its key business strategy and objectives once its strategy are developed they are deployed and tracked through what we call the four leg of BSC (Chuck', Rick B, Peter. E: 2007:89)

It can be defined as a strategic planning and management system which provides a method of aligning business activities to the vision and strategy of the organization improvement internal and external communication and monitoring organization performance against strategic goals more importantly the meaning of BSC can be described as:

An improved strategic planning process for focusing on the most important things, customer, employee, strategy result.

A change initiative for visualizing and communicating an organizations long term strategic intent.

Is a conceptual frame work for translating an organizations strategic objective into asset of performance indicators distributed among four perspectives: financial, customer internal business process and learning and growth?

an effective strategic management system for aligning day to day work to an organization vision and strategy using strategic performance measures and strategic initiatives .

An integrated frame work for informing strategic budgeting and allowing the organization to learn what works and to become more strategy focused.

Clarify and translate vision and strategy.

In this building and implementing BSC has its own rational. These are: creating strategy focused organization, develop result based measurement system and promote the existing achievement of the BPR to its maximum goal.

1 TO BULLED STRATEGIC FOCUSED ORGANIZATION

Strategy (make strategy the central organization agenda) the balanced score card allowed organization .for the first time to describe and communicate their strategy in a way that could be understood and acted on. That means The BSC helps us improve our communication.

Focus (create incredible focus): with a balanced score card as a a "navigation" aid every resource and activity in the organization was aligned the strategy.

Organization (mobilize all employees to act in fundamentally different ways) the balanced scorecard provided the logic and architecture to establish new organization linkages across business units, shared services and individual employees

2 TO DEVELOPE RESALT BASED ON MEASUREMENT SYSTEM: The BSC create a new way of assessing performance, on that introduces significant accountability for result

This means that every organization processes, leader and employee are measured merely through results being achieved because, bsc in an advanced AND result based measurement tools .by doing some can develop performance based culture .in other words, organization, leaders and employee Adopt a new set of culture values and priorities to measure results.

3 TO PROMOTE THE EXISTING ACHIVIMENT OF THE BPR TO ITS MAXIMUM GOAL:

BSC accelerate and promotes the results we have been achieved through BPR by aligning its result with strategy management and measurement system.

4 MAKE STRATGY A CONTINUAL PROCESS: strategy fall to be implemented. When strategy discussion doesn't even appear on the executive's agenda and calendar?

Strategy focused organization use a different approach like:"double loop process". One that integrates the management tactics (financial budgets and monthly reviews) and the management of the strategy in to shameless and continual process. Because a process for managing strategy hadn't previously existed .each organization developed its own new approach.

5 MOBILIZE CHANGE THROUGH EXECUTIVE LEADERSHIP: strategy requires change from virtual every part of the organization .strategy. Requires team work to coordinate these changes. And strategy implementation requires continual and focus on the change initiatives and performance against targeted outcomes .if those the top are not energetic leaders of process change will not take place, strategy will not be missed . (A.A city g'ovt administrator guide line)

2.2.1 THE BALANCED SCORE CARD

THE balanced score card (Kaplan and Norton 1996) integrates financial measures of past performance with measures of the drivers of future performers.

It provides a a template that can be adapted to provide the information change manage need to monitor and review the effects of their intervention and to plane whit they might do next do next to move the organization to wards amore desirable future state .the score card includes four categories of measure:. Financial, customer related, internal business process and innovation and learning.

A. FINANCIAL MEASURES: Such as return on improvement ,economic values added sales growth the generation of cash flow summaries the economic action . The financial perspective considers how the organization needs to appear to its shareholders if it's to achieve its vision.

B. CUSTOMER RELATED MEASURES: includes of business performance that relate to the customer and market segment that are important to the organization. eg .includes measures of satisfaction , retention, new customer, acquisition ,customer profitability

,account share and market share. They might also include measures of those performance driver that affect the value proposition that influence customer loyalty such as on time delivery and product innovation. This customer perspective considers how the organization needs to appear to its customers if it is to achieve its vision.

C. INTERNAL BUSINESS PROCESS MEASURE: such as quality response time and cost relate to the internal business process's make critical contributing to the organization current and future performance they might measure the performance of the processes that enable the organization to deliver value performance of the processes that enable the organization to deliver value propositions that attract and retain important customer, that satisfy shareholder by contributing to the delivery of excellent financial returns or deliver other outcomes that are important to key stakeholders.

D. MEASURE OF THE INFRASTRUCTURE: that facilitate long term growth and improvement Kaplan and Norton 1996 argue that organization learning and growth comes from three principle source people, system and organization al procedures. they suggest that the financial customer and internal business process objective of the balanced score card typically reveal large gaps b/n the existing capabilities of people ,systems and procedure and the capability that is required to achieve a performance breakthrough .in order to transform an organization or even to achieve a more modest level of change this gaps have to be addressed can involve intervening in the normal process of organization functioning to enhance this infrastructure and improvement the organization capacity for innovation and learning (A.A city of govt guide line).

2.2.2 DETERMINING WHY TO USE THE BSC

For adapting the balanced score card must be a personal one, based on the environment your belief in the tools ability to lead you to in all of your belief in the tools ability to lead you to improved result for all stakeholders Probably the most mentioned for implementing about BSC is the effective execution of a new strategy . The odds are

heavily stacked against those wishing to execute their strategies and therefore the BSC
BENEFIT FROM USING BALANCED SCORE CARD

Recognizing some of the weakness and vagueness of previous management approaches the balanced score card approach provides a clear prescription as to what company measure in order to balance the financial perspective. Traditional performance measurement focusing on external accounting that is absolved and something more is needed to provide the information age enterprises with efficient planning tools. Among the long row of benefits' of Applying the BSC these are the most significant:

- Strategic initiatives that follow best practices methodologies cascade through the entire organization.
- Increased creativity and unexpected ideas.
- The BSC help align key performance measures with strategy at all levels of an organization.
- The BSC provides management with a comprehensive picture of business operations.
- The methodology facilitates communication and understanding of business goal and strategies at all levels of an organization.
- Maximize cooperation
- Help reduce the vast amount of information the company IT systems process in to essentials.
- Unique competitive advantage.-reduce time frame- improved decisions and better solutions - improved processes.([www.google.com/the balanced score card .com](http://www.google.com/the%20balanced%20score%20card.com))

Has emerged as a very popular and extremely effective tool in this regard.

A note of caution is in order here however some organization will embark on a BSC effort in the belief that the implementation will lead to the development of a new and

winning strategy. The BSC is a tool that was designed to assist you in executing your strategy, not crafting a new strategy. The inherent assumption accompanying the BSC is that your organization possesses a strategy and requires a tool to bring it to life on a day to day basis.

Many organizations may have a clear and concise strategy forged from the fires of the best available knowledge but find it difficult to galvanize that vision across adverse work force. This dilemma is not surprising when you consider phenomena such as mergers and acquisitions. Which are increasingly bringing together cultures that may provide synergies down the road but are vastly difficult? Many organizations will turn to the BSC in an attempt to drive focus and alignment from top to bottom throughout the deceptively simple objectives' and measures that can be quickly communicated and grasped across the company.

Companies with their feet to the fire tend to gather the lion's share of business press and generate tantalizing headlines. But what of the vast number of organization that are moving along very well, making their way in a slow and steady progression of ever greater results? Is the BSC currently enjoying success realize that sustaining prosperity is a challenge to be confronted every day. In fact generating enthusiasm for a change vision may pose an even greater challenge to those whose employees are operating in a peaceful state of confidence beyond by past results. (Paul.R:2005:28).

2.2.3 BUILDING THE BALANCED SCORE CARD

The problem with many companies that those who not use BSC strategy to manage their business is that they are unbalanced which they don't pay attention to some very important aspects of their business.

For instance they may pay attention to their financial and internal process but they may totally ignore their employees need for learning and growth or do a half hazard job of

finding out what their customers really want as a result unbalanced companies employ poor strategies and make all or of wrong decision.

- Building score for customer leg at three different level strategic operational tactical.
- Strategic level customer score card long term goal at least 3-5 years.
- Operational level is for a one year time form and contains your annual operating plan goal and objectives.
- Tactical level drives deeper in to your customer measure and initiatives it has impact on upper level score card. (C .Hannaberger &R.buchman:2007:321).

TEN TIPS FOR BALANCED SCORE CARD

1. Establish and remember where your company is headed

fundamental to success of any endeavor (big or small) is to first know the direction in which you want go balancing the scoring of a business is no different than arranging a vacations you have to decide what you wanted to do how you will finance it , how you will get there and how much fun and exciting the process will be in order to see your company going to the right direction you need to have mission vision strategies.

2. Understand and stay current with what your customer want

Knowing your customer and constantly being in true with their needs and how to satisfy them is fundamental in order to make BSC strategy work. The leading company in any industry is one that is constantly updating customer knowledge including how the customer is thinking about its product and service and where customer could be better served tomorrow.

3. Define your score card and dash board in responsibility

Simply installing scored card will be successful dashboards make. you have to have understanding of who is responsible for doing what when specific action and adjustment are to be made and by whom.

4. Charter effective committees

The leadership steering a companies decision about what to pursed and support toward continuous improvement and learn performance are profoundly linked to the BSC the direction of the enterprise and how performance is targeted and archived.

5. Establish and maintain accountability

Accountability means holding yourself responsible and staying committed to achieving certain goal and expectation owning the scores and adjusting for them to meet your goal.

6. Link your score card and dashboard to your strategies goal and objectives.

Bullied link between your score card and dash board as well as you're objectives and strategies. These links enable yore organization to responded quickly to change in customer demand capability and market.

7. Communicate you're personalized for leg approach to every one

In business like wise depend on how well every one understand the overall mission and direction of the company as well as how each person rate is impacted. what management or employee needs to understand the part and how they cab best support the four approaches to make BSC success.

8. Use feedback and feed forward loops

You need to hear feedback on how you're doing and where you need to make source correction during the year. You also need to take prior information and knowledge and coupled with their predictive factor.

9. Plan and execute your BSC relentlessly

To make BSC work for your business you not only have to create an effective plan but you also have to follow through with the plan execute plan but you also have to follow through the plane execute the plane in line wit other foundational initiatives by having each initiative by having each initiative and task laid out in a structured road map make sure that the leader follows the road map closely with check and balance in place both to detect and correct side tracks.

10. Synergize your score card for competitive advantage and new market entrance.

As your score card became more and more apart of your business you will see increase inflexibility, response time and other traits making you more competitive.

(C .Hannaberger &R.buchman:2007:321).

CHAPTER 3

3.1 DATA PRESENTATION ANALYSIS AND INTERPRETATION

This Chapter deals with the data preparation analysis and discussion of data to assess change management practice (BSC) in Addis Ababa road authority. The data was collected both from questionnaire which is distributed for employee and interviews for manager of Addis Ababa road authority. This study tries to analyze present and interpret the response of 107 employees of Addis Ababa road authority on that work on different position thus, the researchers undertake 107 employees, from this 98 of them responded which makes (91.5%) of the total response. This means that 9 of them were not returned which cover the remaining (8.41%) of the response.

The information about the respondents who participated in this study are presented in the form of table as follows:

Table 1: General Characteristics of Respondents

No.	Item	Number	Percentage
1.	Sex		
	Female	35	35.7%
	Male	63	64.2%
	Total	98	100%
2.	Age		
	20-30	18	18.5%
	31-45	39	39.7%
	46-50	36	36.7%
	Above 50	5	5.1%
	Total	98	100%
3.	Educational background		
	Under certificate	0	0%
	Certificate	22	22.4%
	Diploma	28	28.5
	1 st Degree	39	39.7
	Above 1 st Degree	9	.9.1
	Total	98	100%
4.	Year of Experience		
	Less than a year	17	17.3%
	1-5 years	33	33.6%
	5-10 years	41	41.8%
	Above 10 years	7	7.1%
	Total	98	100%

As the above Table 1 shows that out of 98 respondent 64 (64.2%) of them where male and the rest of 35 (35.7%) where female this indicate that most of the workers are male.

When we came to the age group 18(18.5%)of the respondent fall within the age range of 20-30 year and 39 (39.7%) of the respondent are between 31-45, 36 (36.7%) of them are between 46-50 and also 5 (5.1%) of them are above 50 .most of the workers in the organization are at the age of 31-45.

As far as the educational background we started from the under certificate level 0(o%) of the respondent which are under certificate and 22 (22.4%) of the respondent where certificate while 28(28%) employee respondent's where diploma and 39(39.7%) of the employee where first degree and the rest 9(9.1%) of respondent where above first degree these implies most of the respondent are holder of first degree.

As the above table show on the workers year of experience 17(17.3%) of the respondent where less than a year and 33(33.6%) of the respondent where 1-5 years and 41(41.8%) of the respondent have work experience of 5-10 years and lastly 7(7.1%) of the respondent, have work experience of above 10 year's this show most of the respondent have the work experience of 5-10 years.

3.2 Analysis of the Finding of the Study

Table 2: Understanding about BCS

How do you evaluate your understanding or knowledge about the BSC practice in Addis Ababa rode authority						
	Very good	Good	Medium	Low	Very low	Total
No.	3	2	39	31	23	98
Percentage	3.06%	2.04%	39.7%	31.6%	23.4%	100%

According to the above table 3(3.06%) of the total respondents say that they evaluate their understanding or knowledge about the practice of BSC very good and. 39(39.7%) of the respondent response their understanding on the the BSC implementation is medium, 23(23.4%)

of the respondent respond their understanding is very low and 31(31.6) of the respondent responded low and lastly 2 (2.04%) the respondent respond good this data indicate that most of the respondent have a medium understanding of the change practice(BSC).

Table 3: Training of employee

Are you given the necessary training before the BSC practice?

	I get the training	I did not get the training		Total
No	39	59		98
Percentage	39.7%	60.2%		100%

According to the above table 3 shows 39(39.7%) of the respondent are said that they get the necessary training before the BSC practice, about 59(60.2%)of the respondents agreed on that they did not get the necessary training before the BSC practice these indicate most of the respondent did not get the necessary training.

Table 4: The necessity of change

Do you think change is necessary for and organization				
	Highly	Averagely	Some how	Total
No	43	18	37	98
Percentage	43.8	18.3%	37.7%	100%

As shown in table 4 43 (43.8%) of the respondents said that change is highly necessary for an organization, 18 (18.3%) of the respondent said that the change is need in an organization averagely and the rest 37(37.7%) of the respondent said that change is necessary for an organization at some point these implies that most of the respondent indicate change is necessary in the organization.

Table 5: Employee and Management Relationship

How employee and management relationship is practiced in your organizing						
	Very strong	Strong	Fair	Poor	Very poor	Total
No	11	7	48	23	9	98
Percentage	11.2%	7.1%	48.9	23.4	9.1	100%

According to Table 5, 9(9.1%) of the respondent said that the employee and management relationship is very poor in the organization and 23(23.4%) of the respondent state that the employee and management relation is poor while 48(48.9%) of the respondent said that there are fair relationship 7(7.1%) of the respondent state there are strong relationship and the rest. 11(11.2%) respondent said that the employees management relationship is very strong these implied that the management relationship in the organization is faire.

Table 6: Effort Made By Managers To Maintain It's Relation

How do rate the effort made by managers of Addis Ababa road authority to maintain its relation with the change process in the organization						
	Very good	High	Medium	Low	Very low	Total
No.	4	9	33	41	11	98
Percentage	4.08%	9.1%	33.6%	41.6%	11.2%	100%

Based on the above table 4(4.08%) of the employee state that the manager's of Addis Ababa road authority maintain it relation with the change process very highly while 9(9.1%)of the respondent said that he managers maintain their relation highly 33(33.6%) of the respondent said the relation is medium and 41(41.8%) of the respondent said the managers do not make any effort or low relation and lastly the rest 11(11.2%) of the respondent state that the manager are at very low relation with the change process in the organization. This implies that the managers are less committed to third job.

Table 7: Consequence of Change

Consequences of change in your organization						
	Stress	Job dissatisfaction	Loss of Productivity	Disagreement	Nothing Happen	Total
No.	5	11	12	11	59	98
Percentage	5.1%	11.2%	12.2%	11.2%	60.2%	100%

As shown in the above table 11(11.2%) the respondent state the consequence of change in the organization is job satisfaction because change not always bring positive thing in the organization and 12(12.2%) of the respondent declared that loss of productivity is the consequence of change in the organization of change in the organization and 11(11.2%) of the respondent said the change consequence could bring disagreement through the organization and 5(5.1%) of the respondent said that stress and the rest 59(60.2%) of the respondent said that nothing happened this show most of the respondent implies that there is no consequence in the change process.

Table 8: Working System Of the Organization

Working system of the organization concerning the use of BSC in order to improve its service						
	Very good	Good	Bad	Very bad	I don't know	Total
No.	4	33	13	0	48	98
Percentage	4.08	33.6%	13%	0%	48.9%	100%

From the above table shown 4(4.8%) of the respondent sate that the working system of the organization concerning the use of BSC is very good, and 13(13.2%) of the respondent implies that the working system of the organization concerning BSC is bad 0(o%) of the respondent state that the working system is very bad and need an improvement and 48(48.9%) state that they don't know the work in system of the organization concerning the use of BSC this implies that most of the respondent don't have the knowledge about working system of the organization.

Table 9: Evaluation of the Effectiveness

How do you evaluate the effectiveness of BSC?						
	Very poor	poor	Very high	High	Neutral	Total
No	23	41%	3	13	18	98
Percentage	23.4%	41.8%	3.06	13.2%	18.3	100%

Based on the above table 9, 41(41.8%) of the respondent agreed that the effectiveness of BSC is poor 23(23.4%) respondent respond the effectiveness is very poor and 3(3.06%) of the employee respondent agree on the effectiveness of BSC is very high and 13(13.2%) of the employee respondent agree on the effectiveness is high and the rest 18(18.3%) said the effectiveness of BSC is neutral this implies that most of the respondent indicate the effectiveness' of the balanced score card is poor.

Table 10: Participation in Change Process

What is your participation in the change process						
	Very low	Low	Very high	High	Neutral	Total
No	0	41	19	9	29	98
Percentage	0%	41.8%	19.3%	9.1%	29.5%	100%

According to the above table 9(9.1%) respondent say this participation in the change processes high 0(0%) of the respondent say this participation is very low and 19 (19.3%) of the respondent implies this participation is very high 41(41.8%) responded low and the rest 29(29.5%) replied their participation in the change process is neutral. This implies that most of the respondent participation in the change process is low.

Table 11: To what extent change is effective

To what extent the change is effective implemented in your organization						
No	To every great extent	To great extent	To some extent	No impact at all	Undecided	Total
	0	23	43	27	5	98%
Percentage	0%	23.4%	43.8%	27.5%	5.1%	100%

Based on the above data 0(0%)of the respondent say the change is effectively implemented in the organization to very great extent, 23(23.4%) of the respondent say the effectiveness to the great extent, while 43(43.8%) say the effectiveness of change is to some extent and 27(27.5%)of the respondent implies the effectiveness of change management in the organization have no impact at all, and lastly 5(5.1%) of the employee respondent replied undecided, these indicate the change implementation was implemented to some extent.

Table 12: How the Management Support the Staff

How the management support the staff to improve the weakness of work flow				
	Highly	Averagely	Not at all	Total
No	39	48	11	98%
Percentage	39.7	48.9	11.2%	100%

Based on the above table 39(39.7%) agree on the management support the staff highly to improve the work flow 48(48.9%) of the employee respondent receive the management support the staff averagely and lastly 11(11.2%) of the respondent said the management do not support the staff these implies that most of the respondent replies that the management support the staff averagely to improve the weakness of work flow.

Table 13: grievance raised from employees

Is there any type of grievance that is raised from the employee in common			
	Yes	No	Total
No	73	25	98%
Percentage	74.4%	25.5%	100%

As the above table show 73(74.4%) of the respondent say yes that employees have raised some kind of task and 25(25.5%) of the rest employees said no that the employees have not raised any kind of task this implies that employees raised task on the process of change management.

CHAPTER FOUR

SUMMARY CONCLUSIONS AND RECOMMENDATION

This chapter summarize and conclude that findings of the research and forwards possible recommendation.

In order to come up with the study objective, all the necessary data were gathered analyzed and interpreted in the previous chapter. Based on the analysis done all findings of the study are summarized based on this findings conclusions are drawn and possible recommendation are forwarded by the researcher.

4.1 Summary

- The study reveals that majority of the respondent i.e 39 (39.7%) replied that the understanding about the BSC practice is low.
- Majority of the respondents i.e. 59(60.2%) replied that the change in the organization did not bring any kinds of consequence in their job.
- As indicated by the study that 59(60.2%) of the respondent replied that they did not receive any kinds training before the BSC practice.
- According to the study majority of the respondents 41(41.8%) replied that to lower extent employees are actively participating in the change process.
- The study indicated that majority of the respondents 43(43.8%) replied that to some extent change is effectively implemented in the organization.
- Majority of the respondents 49(48.9%) replied that managers are averagely in supporting the staff to improve the weakness on work flow.
- The study reveals that majority of the respondent 73 (73.4%) replied that have raised problem in common form the employee side.

4.2 CONCLUSION

- According to my findings the practice of BSC in the given company is low so , show as about the presence of inferior capacity of the organization to execute the BSC practice.
- As I indicate in the above findings majority of the respondent agreed and said the change could not bring the expected result .to this fact, the organization has no effective endeavor to flush out the outcome frame the change.
- Concerning the training trend of the organization the employees where not got sufficient training session there for we can conclude that the organization have no capable training program.
- The participation rate of employees in the change process was not desirable consequentially: the involvement of employees in the organization for change was not enough.
- The implementations of change in the organization not such enviable so ,we can conclude that about the existence of ineffective implementation of change in the organization.
- On the bases of the study most of the employees where not felt a good affiliation on the change practice of there organization due to these fact, the organization could not provide the harmonies changing system to the workers.
- Finally, the allover practice of the change I the organization not attractive with respect to my study findings.

4.3 RECOMMENDATION

Derived from the facts major findings and conclusion made so far, the student researcher of this study has come up with different issue need improvement there for the following suggestive recommendation are forwarded

- To achieve its goal the organization should be utilize it capacity very well
- To realize and get the expected aim of the change the organization should facilitate its working process and make alertly.
- The capability of employee had a vital role to accomplish the organization ultimate objectives so the HRM of the organization should be felling the gap of the employee by giving training in relation to change practice.
- As literatures indicated that the active involvement of employees in the change has a cranial role so the organization should create an attractive environment to in participate its employees.
- The implementation practice of change not sufficient. Therefore the organization should be implementing a change effectively.
- To alert the employees for change the company should create an attentive program's and incentive system for the beast scored employees.
- To make its change program valuable the organization should endeavor and dedicate itself for change all time.

Bibliography

Addis Ababa city government guide line (Unpublished)

Chuck Hannberegger, Rick Buchman & Peter Economy (2007) 1st Edition **Balanced Score Card for Dummies**. Wiley Publishing Inc, Indianapolis, Indiana & Canada.

Jone Hays (2007). The **Theory of Change Management Practice** 2nd Edition palgrave Macmillan.

Jim Stewart (1996) **Managing Change through Training and Development** 2nd Edition. Printed and bound in Great Britain by Biddles Ltd, Guildford and King's Lynn.

Paul R. Niven (2005) **Balanced Scorecard Diagnostics**. 1st Edition John Wiley and Sons, Hoboken, New Jersey in Canada.

Robert A. Parton James McCalman (2002) **Change Management** 2nd Edition SAGE publication India Pvt Ltd New Delhi.

Roberts, Kaplan David P. Norton (2006) **Alignment** 1st Edition United States of America.

Sarah Cook, Steve Macaulay and Hilary Coldicott (2004) **Change Management Excellence**. 1st Edition. Printed and bound in Great Britain by Creative Print and Design (Wales). Ebbw Vale.

Sudan & Navin Kumar (2004) **Organization Effectiveness and Change Management**. 2nd Edition J. I. Kumar for Anmol Publication P.V.T LTD New Delhi & printed at Mehra Offset.

APPENDIX

St. Mary's University

Faculty of business

Department of management

Questionnaire prepared to employees of Addis Ababa authority

This questionnaire is prepared to write senior essay in the partial fulfillment of the requirement of bachelor degree in management in St. Mary's university. It is used to gather employees' ideas on change management and balanced scorecard practice in Addis Ababa road authority. It is researchers' belief that the result will not be disclosed.

NOTE

Writing your name is not necessary

Please put a mark X in the box to those questions having choices

Please state your own idea on the space provided to those questions with no choices.

Thank you for your willingness

PERSONAL INFORMATION

1. Sex

A. Male ☐

B. female ☐

2. Age

20-30 ☐

31-45 ☐

46-50 ☐

Above 50 ☐

3. Educational background?

Certificate ☐

First degree ☐

Diploma ☐

Above first degree ☐

4. How long have you been working in A.A road authority?

Less than 1 year |_____|

5-10 year |_____|

1-5 year |_____|

Above 10 year

General information about BSC

5. How do evaluate your understanding or knowledge about the BSC practice in Addis Ababa road authority?

Very good I----1

Medium I----1

vary low

low I— 1 good I----- 1

6. Are you given the necessary training before the BSC PRACTICE?

I get the training |---1

i did not get the training II

not at all I---1

7. Do you think change is necessary for an organization?

Highly ☐

averagely ☐

somehow II

8. How employees and management relationship is practiced in your organization?

Very poor

poor II fair II

Strong ☐

vary strong II

9. How do you rate the effort made by managers of Ethiopian road authority to maintain its relation with the change process in the organization?

Very high

High I--- 1 Medium I----- 1 Low II

vary low II

10. Are you comfortable with the working condition of your organization yes or no how?

11. What do you think of the consequences of change in your organization?

Job dissatisfaction II loss of productivity II

nothing happen II

Disagreement

stress ☐

all ☐

12. What do you think of the working system of your organization concerning the use of BSC in order to improve its service?

Very good ☐ Good ☐ bad ☐ very bad ☐ I don't know ☐

13. How do you evaluate the effectiveness of BSC?

Poor ☐ very poor ☐ very high ☐ High ☐ neutral ☐

14. To what extent the change is effectively implemented in your organization?

To a very great extent ☐ to great extent ☐ to some extent ☐
no impact at all ☐ undecided ☐

15. How do you evaluate the practice of change in your organization compared to other organizations?

Highly ☐ averagely ☐ not at all ☐

16. Is there any type of grievance raised from the employees in common?

Yes ☐ no ☐

17. If you raised any type of task did you get the response from managerial side?

18. How do you evaluate the practice of change in your organization compared to other organizations?

19. Any things on the BSC implementation?

Declaration

Candidate's Declaration

I, the undersigned, declare that this senior essay is my original work, prepared under the guidance of Ato Meslu Fanta . All resources of materials used to the manuscript have been duly acknowledged.

Name: Havmanot. Birhanu

Signature_____

Place of submission: -ST.MARY'S UNIVERSITY DEPARTMENT OF
MANAGEMENT

Date of submission

ADVISOR DECLARATION

This senior essay has been submitted for examination with my approval as the university advisor.

Name: Ato MESLU FANTA

Signature_____

Date_____



This work is licensed under a
Creative Commons
Attribution - Noncommercial - NoDerivs 4.0 License.

To view a copy of the license please see:
<http://creativecommons.org/licenses/by-nc-nd/4.0/>

This is a download from the BLDS Digital Library on OpenDocs
<http://opendocs.ids.ac.uk/opendocs/>